

Fiscal Services Division

Legislative Services Agency

Fiscal Note

SF 2172 – Dental Home for Children (LSB 5402 SV)

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Fiscal Note Version – New

Description

Senate File 2172 modifies the definition of services to be provided under a dental home to clarify services required by federal law.

Background

The requirement for a dental home for children under Medicaid was added to statute in HF 841 during the 2005 Legislative Session. Implementation of the requirement was not required until July 1, 2008.

Assumptions

- An estimated 85,000 children would receive dental services in FY 2009 and 87,500 would receive dental services in FY 2010.
- There would be a 15.00% provider rate increase needed to expand the number of dental providers that would accept Medicaid clients. The rate would increase from \$195 per recipient to \$224 per recipient.
- The administrative costs to contract with a dental insurance carrier are estimated to be \$1.8 million per year.
- The federal match rate is 62.40% in FY 2009 and 62.85% in FY 2010. The administrative match is 50.00%.

Fiscal Impact

While there is no appropriation in this Bill, the State General Fund share of the estimated cost to implement the dental home requirement is \$8.9 million for FY 2009 and \$9.1 million for FY 2010.

Sources

Department of Human Services, Iowa Medicaid Enterprise

/s/ Holly M. Lyons

March 5, 2008

The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.
